



TO THE HONORABLE JUDGE OF SAID COURT:

SAND HILL FOUNDATION, LLC (“Sand Hill”) debtor and debtor-in-possession in the above-captioned chapter 11 case hereby files this *Emergency Motion to Incur Post Petition Debt and to Purchase Two (2) Peterbilt Trucks* (the “Motion”) pursuant to 11 U.S.C. §§ 363 and 364 and Rule 4001 of the Federal Rules of Bankruptcy Procedure. In support of this Motion, the Debtor respectfully represents as follows:

**I.**

**JURISDICTION AND VENUE**

1. This Court has jurisdiction over the subject matter pursuant to 28 U.S.C. §§ 157 and 1334. These matters concern the administration of these bankruptcy estates; accordingly, the matters are core proceedings pursuant to 28 U.S.C. § 157(b)(2)(A). Venue is proper in this District pursuant to 28 U.S.C. §§ 363 and 364 and FED. R. BANKR. P. Rules 2002, 4001, and 6004 (the “Bankruptcy Rules”).

**II.**

**BACKGROUND**

2. On May 25, 2010 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”).

3. The Debtor is operating its business as debtor-in-possession pursuant to § 1107(a) and § 1108 of the Bankruptcy Code.

4. No request for the appointment of a trustee or examiner has been made in the Debtor’s chapter 11 case. An Official Committee of Unsecured Creditors has been appointed.

5. The Debtor is an oil and gas service and oil field construction company. The Debtor’s major areas of operations are located in East Texas, primarily in Shelby and Panola Counties in Texas.

## **Operations**

6. The Debtor employs approximately 140 people, own numerous vehicles and equipment. The Debtor's operations require significant expenditures for payroll, fuel, parts and other operational needs.

7. The Debtor currently owns three (3) Peterbilt trucks identified as:

- a) 1999 Peterbilt, SIN 1XP5D89X0XD466146
- b) 2000 Peterbilt, SIN 1XP5D69X6YD495059
- c) 2005 Peterbilt, SIN 1XP5D89X25N853434

8. The trucks are financed by and subject to liens of Enviro-Vac, Ltd. ("Enviro-Vac")

9. Enviro-Vac has filed its Motion for Relief from Automatic Stay Against Property. In response to such motion, the Debtor has assessed the necessity of these trucks to its reorganization efforts and ongoing operations. In the Debtor's business judgment, these three (3) trucks can and should be replaced by two (2) newer trucks. The cost of repairs, ongoing maintenance and debt service on the three (3) trucks exceeds the estimated costs for the two replacement trucks.

## **III.**

### **RELIEF REQUESTED AND BASIS THEREFOR**

10. The Debtor has located two (2) 2011 Peterbilt trucks for a total sales price of \$237,312.04 at Rush Truck Center in Tyler, Texas.

11. Pursuant to 11 U.S.C. § 1107 and § 1108, Sand Hill Foundation, LLC, as debtor-in-possession has the authorization to operate its business in the ordinary course. The purchase of the two (2) 2011 trucks is arguably within the Debtor's ordinary course of business. However, due to the amount of the sales price, the purchase could be determined to be outside the ordinary

course of Debtor's business. To avoid any doubt, the Debtor seeks approval of the purchase of the two (2) 2011 Peterbilt trucks from Rush Truck Center for the total amount of \$237,312.04. The purchase will improve the Debtor's cash flow and minimize interruption to the Debtor's operations.

12. Sabine State Bank & Trust Co. ("Sabine State Bank") has agreed to finance the purchase of the two (2) 2011 Peterbilt trucks on the following terms:

Borrower:	Sand Hill Foundation, LLC
Amount:	\$250,000.00
Interest Rate:	six percent (6%) fixed for 36 months
Collateral:	two (2) Peterbilt trucks
Payments:	\$7,611.57 due on the 25 <sup>th</sup> of each month
Total Repayment:	\$274,016.52

13. By filing this Motion, the Debtor respectfully requests permission from this Court to incur post petition financing from Sabine State Bank to purchase the two (2) 2011 Peterbilt trucks from Rush Truck Center for the purchase price of \$237,312.04 and to provide Sabine State Bank a first lien security interest in and against the two (2) trucks.

14. Section 364(2) of the Bankruptcy Code provides that a debtor may incur debt secured by a lien on property of the estate that is not otherwise subject to a lien.

15. The Debtor is unable to obtain financing of the purchase on an unsecured basis. The Debtor believes the terms of the financing are fair and that the proposed financing and purchase of the two (2) trucks is in the best interest of the estate.

#### **IV.**

#### **NOTICE**

The Debtor has served notice of this Request on: (i) the Debtor; (ii) the U.S. Trustee; (iii) the Debtor's secured creditors; (iii) the Debtor's 20 largest unsecured creditors (on a consolidated basis); (iv) members of and counsel for the Official Committee of Unsecured

Creditors; (v) all applicable government agencies, to the extent required by Bankruptcy Rules or the Bankruptcy Local Rules for the Eastern District of Texas; and all parties requesting; (vi) those parties who have formally appeared and requested notice in this case pursuant to Bankruptcy Rule 2002. The Debtor submits that no other or further notice need to be provided.

WHEREFORE, PREMISES CONSIDERED, the Debtor prays that this Court enter an order granting the relief requested herein and awarding the Debtor such other and further relief as the Court may deem just and proper.

Dated: August 30, 2010.

Respectfully submitted,

OPPEL, GOLDBERG & WILLIAMS, P.L.L.C.

By: /s/ Jeffrey Wells Oppel

Jeffrey Wells Oppel

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ATTORNEYS FOR DEBTORS  
SAND HILL FOUNDATION, LLC,  
SAND HILL PANOLA SWD #2 LLC,  
and SAND HILL PANOLA SWD #5 LLC

### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on this 30<sup>th</sup> day of August, 2010, true and correct copies of the foregoing instrument were served on all parties on the attached service list by first class US mail, postage prepaid. Service on known Filing Users will automatically be accomplished through Notice of Electronic Filing as contemplated by this Court's Administrative Procedures for Electronic Filing.

/s/ Jeffrey Wells Oppel

Jeffrey Wells Oppel

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF TEXAS  
LUFKIN DIVISION**

<b>IN RE:</b>	§	
<b>SAND HILL FOUNDATION, LLC,</b>	§	<b>CASE NO. 10-90209</b>
<b>SAND HILL PANOLA SWD #2 LLC,</b>	§	<b>CASE NO. 10-90210</b>
<b>SAND HILL PANOLA SWD #5 LLC,</b>	§	<b>CASE NO. 10-90211</b>
<b>Debtors</b>	§	<b>Chapter 11</b>
	§	<b>Jointly Administered</b>
	§	<b>under 10-90209</b>

**SERVICE LIST**

U.S. Trustee  
Timothy W. O'Neal  
Assistant U.S. Trustee  
Office of The United States Trustee  
110 North College Avenue, Rm. 300  
Tyler, Texas 75702

Debtor(s)  
Sand Hill Foundation, LLC  
Sand Hill Panola SWD #2 LLC  
Sand Hill Panola SWD #5 LLC  
P.O. Box 1661  
Center, TX 75935-1661

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Sabine State Bank & Trust Co., Inc  
P.O. Box 670  
Many, LA 71449

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Bass Drilling, Inc.  
c/o David Lacy Pybus, Attorney  
Preis & Roy  
601 Poydras, Suite 1700  
New Orleans, LA 70130

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Rycar Investments, LLC  
620 State Highway 87 North  
Center, TX 75935

J. Gregg Pritchard, Plan Trustee  
c/o Patrick Kelley, Attorney  
Ireland, Carrol & Kelley, PC  
6101 S. Broadway, Suite 500  
Tyler, TX 75703

Cudd Pressure Control, Inc.  
c/o William R. Sudela, Attorney  
Crady, Jewett & McCulley, LLP  
2727 Allen Parkway, Suite 1700  
Houston, TX 77019

Evergreen Tank Solutions  
711 W. Bay Area Blvd., Suite 560  
Webster, TX 77598

Little Nut Oil Co.  
344 Klondike St.  
Carthage, TX 75633

Fluid Disposal Specialties, Inc.  
PO Box 2850  
Ruston, LA 71273-2850

Internal Revenue Service  
Ogden, UT 84201-0039

Waukesha-Pearce Industries, Inc  
3106 Hwy 42 N.  
Kilgore, TX 75662

Panola County Tax Office  
110 S. Sycamore, Room 211  
Carthage, TX 75633

White Shaver, PC  
205 W. Locust  
Tyler, TX 75702

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PO Box 2131  
Coppell, TX 75019-8131

CCLA, LLC  
Attn: Clay Keath  
PO Box 3223  
Lufkin, TX 75903

Galyean Equipment Co, Inc.  
PO Box 1686  
Henderson, TX 75653-1686

Scott Construction Equipment Co.  
PO Box 7827  
Shreveport, LA 71137-7827

Hertz Equipment Rental Corp.  
Attn: Wendy, Acc. Rep  
PO Box 650280  
Dallas, TX 75265-0280

Omni Industrial Solutions LLC  
7031 Bryce Canyon Ave.  
Greenwell Springs, LA 70739

Shreveport Mack Sales, Inc.  
PO Box 5857  
Bossier City, LA 71171

Oilfield Innovators Limited LLC  
315 South College Rd., Suite 285  
Lafayette, LA 70503

Mi Swaco  
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Broussard, LA 70518

CC Forbes Company LP  
PO Box 250  
Alice, TX 78333

Pro-Test, Inc.  
454 FM 1252 E.  
Kilgore, TX 78662

HF Oilfield Supply LLC  
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Citizens State Bank  
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Ford Credit  
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Internal Revenue Service  
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Unsecured Creditors Committee

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